

referred to the Revenue Committee. It was advanced to General File. It was considered by the Legislature on March 27, Mr. President. At that time Senator Haberman had made a motion to indefinitely postpone. That did lay the bill over. That is presently before us. Senator Haberman is excused, however, until he arrives, Mr. President. Senator Haberman is excused all day, Mr. President.

SENATOR BEUTLER: Okay, we are ready to take up the bill. Senator Withem, are you going to speak to the bill first? Okay, Senator Withem.

SENATOR WITHEM: Mr. President, members of the body, I rise to ask you for your favorable consideration on LB 112. It is a bill that I explained the other day on consent calendar. It is a bill that came out of the committee with no dissenting votes. I had given my introduction to it. Little has changed about the bill other than we prepared some more information for you here. It is a very simple bill. It adds one cent per gallon to the tax rate on motor fuels. The full one cent will be distributed to the city-county road fund, one half of it going to the cities, one half of it going to the counties. My staff and Senator Hartnett's staff have worked together to prepare a little booklet here of information. I think what I am going to do in my introduction is just kind of walk through some of the information that is in this booklet. First of all, give you a short history of the gasoline tax. In 1971, the last time the body set the tax rate, it was set at 10 1/2 cents per gallon. Fifty-three and a third of that fund would go to the state highways, twenty-three and a third to the counties, and twenty-three and a third to the municipalities, and a particular formula was established in statute explaining how that money is to be distributed. In 1980 we were having some problems maintaining our state road fund so the Legislature at that time passed a variable gasoline tax to be placed in the highway cash fund and state road projects. This is a fund that is no longer established by the Legislature. It is established each year by the State Board of Equalization to meet existing state highway road needs. At that time also as a means of providing additional monies for cities and counties, a one cent per gallon excise rate was established for the cities and the counties. Since that time, the variable rate has increased by the Board of Equalization a number of times but the city-county road fund has not been touched. The second page